

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF IOWA

IN RE:)	CHAPTER 7
)	CASE NO. 23-00484
BDC Group, Inc.)	
)	NOTICE OF AND MOTION FOR
)	COMPROMISE OR SETTLEMENT
Debtor(s).)	OF CONTROVERSY WITH
)	KEYSTONE SAVINGS BANK

The undersigned Trustee has entered into a compromise or settlement of controversy and moves the court to approve the following:

For almost two years, Keystone Savings Bank ("the Bank") has been pursuing a position that the Bank's pre-petition lien attached to Chapter 5 Avoidance Actions under governing Eighth Circuit precedent, and that therefore, Chapter 5 Avoidance Actions are subject to the Bank's prepetition liens. The Bank appealed the Bankruptcy Court's decision denying the Bank's position. U.S. District Court, Judge Strand, affirmed the Bankruptcy Court's decision.

After discussions, the parties have agreed to settle their legal dispute by the bankruptcy estate paying the Bank \$15,000 in exchange for the Bank foregoing any further appeals. The result would establish all Chapter 5 Avoidance Actions as property of this bankruptcy estate, with all recoveries available for administration by the bankruptcy trustee, not subject to the Bank's security interest.

In light of the uncertainty of litigation in any court, the unique legal issues involved, the time and expenses expended on this appeal, and the additional time and expenses involved in defending further appeals, the Trustee submits that the compromise as proposed herein is fair and reasonable.

NOTICE IS HEREBY GIVEN that objections must be served on the undersigned trustee, the United States Trustee, 111 7th Avenue SE Box 17, Cedar Rapids, Iowa 52401, debtor(s), debtor(s) counsel and filed with the Clerk of Bankruptcy Court at 111 7th Avenue SE Box 15, Cedar Rapids, Iowa 52401 on or before 4:30 p.m., August 26, 2025.

NOTICE IS FURTHER GIVEN that timely filed objections will be set for hearing by separate notice. If no objections are filed, a separate order will enter.

I hereby certify that on this date a copy of this Notice and Motion was served on the U.S. Trustee, debtor(s), debtor(s) counsel, and all creditors or other parties-in-interest who have filed a request for notice pursuant to Local Bankruptcy Rule 2002-1(b).

DATED: August 05, 2025

/s/ Renee K. Hanrahan _____
Renee K. Hanrahan, Chapter 7 Trustee
P.O. Box 1088
Cedar Rapids, IA 52406-1088
319.533.7358
rhanrahan@sharontc.net

NOTE: Service List/Clerk's Mailing Matrix attached